

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
February 9, 2022
Timed: 2:00PM

To: Board of Supervisors

Through: Ann Edwards, County Executive
Bruce Wagstaff, Deputy County Executive, Social Services

From: Ethan Dye, Director, Department of Human Assistance

Subject: Update on Project Roomkey Sheltering Efforts; Approve An Appropriation Adjustment Request In The Amount Of \$7,451,434 (AAR No. 2022-2032) To Continue COVID-19 Response Efforts

Districts: All

RECOMMENDED ACTION

Approve an Appropriation Adjustment Request in the amount of \$7,451,434 (AAR No. 2022-2032) to continue COVID-19 response efforts.

BACKGROUND

In March 2020, communities across California began operating locally driven Project Roomkey (PRK) initiatives to provide emergency, non-congregate shelter for vulnerable persons experiencing homelessness in response to the COVID 19 health crisis. The Department of Human Assistance (DHA), operating in a multi-agency collaboration, identified four motels across the County to provide quarantine and isolation units for unsheltered persons infected with the virus and those at risk of adverse effects if they contracted the virus. PRK participants were provided shelter and wraparound services including meals, comprehensive health services, and connections to community-based housing programs.

Funding to help communities address the impacts of COVID-19 on people experiencing homelessness or at risk of homelessness has become available from a variety of sources, including one-time funding allocations from Federal and State agencies. On August 24, 2021, the Board of Supervisors authorized DHA to accept all additional funding that would become available through State, Federal, and other entities to support continued PRK operations, emergency services, and rehousing supports for individuals experiencing homelessness in response to the COVID-19 health crisis. These funds in combination with the Federal Emergency Management

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Agency (FEMA) reimbursements have allowed DHA to continue to provide PRK shelter and supportive services from April 2020, to present.

As the need for COVID-19 prevention declines, DHA is working thoughtfully to ramp down PRK sites and continue to use available funds to support and rapidly rehouse PRK households. To ensure safe and stable exits for participants and stagger the motel closure dates, DHA plans to cease sheltering operations under the following timeline:

La Quinta Inn - closure date of March 15, 2022

Vagabond Inn - closure date of April 15, 2022

Comfort Inn - closure date of May 31, 2022

During the ramp down process, the multi-agency collaboration of DHA, the City of Sacramento, and Sacramento Steps Forward will continue to ensure rehousing efforts are the primary focus for all PRK participants. Specific rehousing strategies include the following:

- 1) Connecting clients to existing and expanded housing programs
- 2) Problem solving, navigation and support through case conferencing
- 3) Targeted matches to Permanent Supportive Housing (PSH), Housing Choice Vouchers and Emergency Housing Vouchers (EHV)
- 4) Landlord engagement to expand the inventory of housing

The cost for this extension, including motel leases, support services and security through May 31, 2022, is \$7,451,434. These costs were not anticipated nor included in the FY 2021-22 September Adopted Budget. The Appropriation Adjustment Request (AAR) of \$7,451,434 will ensure DHA has authority to pay the motel leases and contracted providers who are providing the services through May 31, 2022. To maximize this funding, DHA will make every effort to recover all eligible costs incurred through May 31, 2021, through FEMA reimbursement.

FINANCIAL ANALYSIS

This recommendation has no General Fund impact. The Department expects Emergency Solutions Grant (ESG) II and Community Development and Block Grant (CDBG) funding in the amount of \$4,345,358 from Sacramento Housing and Redevelopment Agency (SHRA). The balance of \$3,106,076 is estimated FEMA reimbursement. The \$7,451,434 in appropriations and revenues are not included in the FY 2021-22 September Adopted Budget. The Department requests approval of an Appropriation Adjustment Request (AAR) in the amount of \$7,451,434, which is attached.

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DHA did not include FEMA reimbursement in the FY 2021-22 Adopted Budget as a source of funding for Project Roomkey due to uncertainty associated with the estimates and timing of FEMA reimbursement receipts. Since the adoption of FY 2021-22 Budget, DHA has received \$5,028,665 in unbudgeted prior year FEMA reimbursement for expenditures that were already incurred. Therefore, FEMA reimbursement is included as a source of funding in the attached appropriation adjustment.

Attachment:
Appropriation Adjustment Request (AAR No. 2022-2032)